

VZCZCXYZ0000  
PP RUEHWEB

DE RUEHMO #3020/01 2841206  
ZNY CCCCC ZZH  
P 101206Z OCT 08  
FM AMEMBASSY MOSCOW  
TO RUEHC/SECSTATE WASHDC PRIORITY 0339  
INFO RUEHUL/AMEMBASSY SEOUL PRIORITY 2746  
RUEHBJ/AMEMBASSY BEIJING PRIORITY 4426  
RUEHKO/AMEMBASSY TOKYO PRIORITY 4190

C O N F I D E N T I A L MOSCOW 003020

SIPDIS

E.O. 12958: DECL: 10/10/2018  
TAGS: [PREL](#) [RS](#) [KS](#) [KN](#)  
SUBJECT: RUSSIAN-SOUTH KOREAN RELATIONS BECOME STRATEGIC

REF: SEOUL 1912

Classified By: Political Minister Counselor Alice Wells for  
Reasons 1.4 (b) and (d)

11. (C) Summary: During South Korean President Lee Myung-bak's September 28-30 state visit, Russia and South Korea agreed to upgrade their bilateral relationship, continue to consider joint gas pipeline and railway projects that would pass through North Korea, and increase cooperation on a wide range of political and economic issues, particularly with regard to North Korean nuclear issues. While Russia did not press South Korea on Georgia, negotiations on a joint statement were difficult due to Russian attempts to insert language aimed at expressing its displeasure with the United States. Nevertheless, Russian MFA assured us that Russia understood the importance of the U.S.-Korean alliance to the stability of the Korean Peninsula and did not envision a competition with the United States in Asia. End Summary.

What's in a Name: "Strategic Partnership"

12. (C) South Korean President Lee Myung-bak's September 28-30 state visit to Russia resulted in an upgrade of the Russian-Korean relationship from "comprehensive, mutually trustful" to "strategic," but it was not without some controversy. According to the South Korean Embassy, the ROK had originally proposed to characterize the relationship as a "strategic cooperative partnership," the same formula it used in its elevation of relations with China in May of this year. During the negotiations, however, the Russians preferred the slightly stronger "strategic partnership," which is what Moscow has with countries such as China and Vietnam, arguing that linguistically, the two terms were the same. The South Korean side did not insist on full conformity of the terms. Therefore, in the final joint statement issued by Presidents Medvedev and Lee, the Russian version refers to a "strategic partnership," while the South Korean version, and South Korea's own informal English translation, call it "strategic cooperative partnership." As part of the upgraded relationship, the two governments established a strategic dialogue chaired by First Deputy Foreign Minister Andrey Denisov on the Russian side and Deputy Foreign Minister Kwon Jong-nak on the Korean side.

13. (SBU) In discussing the relationship upgrade with us, Russian MFA Deputy Director of the First Asia Department Oleg Davydov sought to assure us that the expansion of cooperation with South Korea, and increased ties with East Asian countries in general, reflected a Russian interest in developing its Siberian and Far East regions, and should not be misinterpreted in a threatening light. "We are not expanding ties in Asia for expansion's sake." He indicated that Russia responded to the ROK initiative to upgrade the relationship while fully recognizing South Korea's special relationship with the United States and the priority status

of the U.S.-Korean alliance. According to him, Russia does not wish to undermine that alliance, because it understands this is not a zero-sum game, and that a weakening of the U.S.-Korean relations could result in instability on the Korean Peninsula, which would not be to Russia's interest. "The United States has its sphere of interests, and we have our own," he said pointedly, referring to the former Soviet space.

#### A Wide Ranging Joint Statement...

-----

14. (C) The six-page joint statement adopted during President Lee's visit touches upon a wide range of political and economic issues, including North Korea, Georgia, counter-terrorism, expanded cooperation in international organizations, Russian WTO membership, energy cooperation, simplified visa procedures for South Korean businesses, and improved trade and investment ties. South Korean Embassy First Secretary Jung Kang confirmed reftel reporting that the negotiations were difficult. While the Korean side wanted to focus on future cooperation in the economic areas, the Russian side stressed geopolitical issues and wanted to insert certain charged words that reflected Russian dissatisfaction with a perceived U.S.-dominated international system. It took considerable effort for the ROK to keep such content out.

15. (C) In particular, Jung told us that the Russians wanted to mention in the joint statement the financial crisis in the United States and its effect on the international system. Seoul would not agree to such language. While the issue was ultimately excluded from the statement, the MFA indicated that the two presidents did discuss it and agreed to work together to contribute to the financial health of the world economy. Davydov hinted that the two sides may set up a consultative mechanism in this regard, but that there were no specific plans yet.

#### ...and Georgia is on the Last Page

-----

16. (C) Given the difficulties in negotiating the joint statement, the ROK was pleasantly surprised that the expected Russian pushiness to insert unacceptable language on Georgia never materialized. While the statement refers to the issue, it is buried on the last page, and the agreed language, that "the situation should be settled through dialogue, which would contribute to regional stability and international peace," was mild enough that it did not put the ROK in an awkward position. Jung indicated that when South Korean Foreign Minister Yu Myung-hwan visited Moscow September 9-11 to prepare for the Lee visit, the Russians similarly did not dwell on Georgia beyond a brief mention by FM Lavrov that Moscow hoped for Seoul's understanding of the necessity of the Russian action in response to Georgian aggression.

#### North Korea a Central Focus of Discussions

-----

17. (C) We understand that during President Lee's two-hour meeting with President Medvedev and the subsequent lunch that Medvedev hosted, the two sides discussed at length the North Korean nuclear issue and the Six Party Talks. The MFA reported to us that there was no daylight between the Russian and South Korean positions -- that denuclearization was a top priority, North Korea must live up to its obligations in this regard, and a verification mechanism set up according to international rules was necessary. Davydov indicated that the GOR wished to see an enhanced role for the International Atomic Energy Agency (IAEA) in the verification mechanism and would welcome a more detailed readout of Assistant Secretary Hill's recent discussions in North Korea. (N.B. Post has since been in touch with EAP and conveyed to the MFA that A/S Hill provided Russian Ambassador to China a readout of the trip.) Commenting on Russia's chairmanship of the Fifth Working Group, he said that Moscow viewed the creation of the Northeast Asia Peace and Security Mechanism as a long term

issue. While discussion on this could occur in parallel with the more immediate negotiations on the verification protocol, the process of denuclearization must always take first priority.

18. (SBU) During his visit, President Lee oversaw the signing of an MOU between Russian gas monopoly Gazprom and Korean Gas on the sale of 10 bcm of gas per annum via a pipeline running through North Korea, with deliveries beginning as soon as 2015. The Russian side also pressed for South Korean participation in a project to link the trans-Korean Railway with the Trans-Siberian Railway through the reconstruction of the Khasan-Rajin branch that would connect the Russian border town of Khasan with the North Korean port city of Rajin. The GOR envisions using the Khasan-Rajin branch to move South Korean and Chinese goods that are carried by sea freight from Pusan. According to the South Korean embassy, while the gas pipeline and the railway connection projects have been under discussion for quite some time, this is the first time that Russia and South Korea have jointly and publicly announced the intention to consider cooperating on the two issues.

19. (C) The MFA told us that the GOR understood that any South Korean decision to participate in the pipeline and railway projects was contingent on progress in North Korea's nuclear disarmament and the relaxation of North-South tensions. The current Russian assessment is that no real dialogue is occurring between Lee's administration and the North Koreans, and relations between the two Koreas are tense. This leaves South Korean participation in the two projects a big question mark. The ROK, for its part, believes Russian influence on North Korea is limited, according to Jung Kang. However, Seoul sees Russian influence on Pyongyang to be greater than its own, and hopes Russia will be able to engage the DPRK in a constructive way and assume the bulk of the political risk associated with involving North Korea in the two projects.

#### Economic Cooperation Also a Key Focus

-----

110. (C) The bilateral economic relationship figured prominently in President Lee's discussions with his Russian interlocutors. Both the MFA and the South Korean Embassy expressed to us their satisfaction with the growing bilateral trade and investment between Russia and South Korea. Accumulated Korean investment into Russia is \$2 billion and growing (though Russian investment to South Korea lags behind at \$12 million). Bilateral trade has increased 15% a year for the past five years. According to Davydov, this year's trade volume between the two countries is expected to reach \$20 billion, and a doubling of the number to \$35-40 billion is forecasted within the next three to four years. The two sides agreed to jointly develop oil fields in West Kamchatka, as well as to cooperate on infrastructure building projects in preparation for Vladivostok's hosting of the 2012 APEC summit and Sochi's hosting of the 2014 Winter Olympics. Russia invited South Korean participation in the International Uranium Enrichment Process Center, though Seoul remains noncommittal on this.

#### Comment

-----

111. (C) The timing of President Lee's visit, in the immediate aftermath of Russian aggression in Georgia, gave Russia a diplomatic boost. Since Lee's inauguration three years ago, the visit has been planned and postponed several times, and Russia invited him quickly after the events in Georgia. Still, the ROK has many immediate economic and political interests in expanding its bilateral relationship with Russia. As reflected by the difficulty the South Koreans experienced in negotiating the joint statement language, Moscow continues to seek opportunities to take a swipe at the United States. End Comment.

